

**IN THE THIRD JUDICIAL DISTRICT COURT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH**

BRAD BERKOWITZ, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff,

vs.

SINO GAS INTERNATIONAL HOLDINGS, INC., YUCHUAN
LIU, ZHICHENG ZHOU, CHONGJUN DUAN, ROBERT
ADLER, JENNIFER LI, PROSPERITY GAS HOLDINGS
LTD., and MERGER SUB GAS HOLDINGS INC.,
ZHONGYU GAS HOLDINGS LIMITED,

Defendants.

RALPH PORRETTI, Individually and on Behalf of All Others
Similarly Situated,

Plaintiff,

vs.

YUCHUAN LIU, ZHICHENG ZHOU, CHONGJUN DUAN,
ROBERT ADLER, JENNIFER LI, MORGAN STANLEY
PRIVATE EQUITY ASIA, INC., ZHONGYU GAS
HOLDINGS LIMITED, and SINO GAS INTERNATIONAL
HOLDINGS, INC.,

Defendants.

Lead Case No. 140902517

Member Case No. 140902654

**PROPOSED NOTICE OF PROPOSED SETTLEMENT
OF CLASS ACTION, SETTLEMENT HEARING, AND
RIGHT TO APPEAR**

Judge Laura Scott

Case No. 140902654

CLASS ACTION

NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT AND SETTLEMENT HEARING

TO: ALL PERSONS WHO OWNED OR BENEFICIALLY HELD SHARES OF SINO GAS COMMON STOCK IN THE PERIOD FROM AND INCLUDING APRIL 3, 2014 THROUGH NOVEMBER 26, 2014, INCLUDING THEIR LEGAL REPRESENTATIVES, HEIRS, SUCCESSORS IN INTEREST, ASSIGNEES AND TRANSFEREES OF SUCH FOREGOING HOLDERS, EXCEPTING DEFENDANTS IN THE ACTION OR THEIR FAMILY MEMBERS AND ANY RELEASED PARTY (THE "CLASS"). "FAMILY MEMBERS" INCLUDES AN INDIVIDUAL'S SPOUSE, PARENTS, SIBLINGS, CHILDREN, GRANDPARENTS, GRANDCHILDREN OR OTHER DESCENDANTS; THE SPOUSES OF HIS OR HER PARENTS, SIBLINGS AND CHILDREN; AND THE PARENTS AND SIBLINGS OF HIS OR HER SPOUSE, AND INCLUDES STEP AND ADOPTIVE RELATIONSHIPS. "SPOUSE" SHALL MEAN A HUSBAND, A WIFE OR A PARTNER IN DOMESTIC PARTNERSHIP OR CIVIL UNION. FOR AVOIDANCE OF DOUBT, CLASS INCLUDES MUTUAL FUNDS, OTHER POOLED VEHICLES AND SEPARATELY MANAGED INVESTMENT ACCOUNTS THAT PRIMARILY INVEST IN PUBLICLY TRADED SECURITIES FOR WHICH MORGAN STANLEY INVESTMENT MANAGEMENT INC. OR ITS INVESTMENT ADVISORY AFFILIATES (OTHER THAN THOSE AFFILIATES THAT ARE PRIMARILY ENGAGED IN INVESTING IN PRIVATE SECURITIES) SERVES AS INVESTMENT ADVISER OR INVESTMENT MANAGER. THE CLASS SHALL FURTHER EXCLUDE ANY FORMER SINO GAS SHAREHOLDER WHO HAS PERFECTED DISSENTERS' RIGHTS UNDER UTAH LAW TO OBTAIN PAYMENT FOR COMMON STOCK ACQUIRED IN THE MERGER. NO MEMBER OF THE CLASS ("CLASS MEMBER") SHALL BE PERMITTED TO OPT OUT OF THE CLASS.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF LAWSUITS AND CONTAINS IMPORTANT INFORMATION. YOUR RIGHTS WILL BE AFFECTED BY THESE LEGAL PROCEEDINGS IN THE LITIGATIONS. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE PROPOSED SETTLEMENT, OR PURSUING THE RELEASED CLAIMS (AS DEFINED BELOW). THE RELEASED CLAIMS COVER CLAIMS RELATING TO THE MERGER (DEFINED BELOW), INCLUDING CLAIMS SPECIFICALLY RAISED IN THE ACTION (DEFINED BELOW), AS WELL AS OTHER CLAIMS RELATING TO FEDERAL SECURITIES LAWS AND ANTITRUST LAWS NOT SPECIFICALLY RAISED IN THE ACTION.

IF YOU WERE NOT THE BENEFICIAL HOLDER OF COMMON STOCK OF SINO GAS BUT HELD SUCH STOCK FOR A BENEFICIAL HOLDER, PLEASE TRANSMIT THIS DOCUMENT PROMPTLY TO SUCH BENEFICIAL HOLDER.

The purpose of this Notice is to inform you of a proposed settlement (the "Settlement") of the above-captioned consolidated action (the "Action") pending before the Third Judicial District Court In And For Salt Lake County, State Of Utah (the "Court"), and of a hearing to be held before the Court, at the Salt Lake City District Court, Matheson Courthouse, Courtroom S32, 450 South State St., Salt Lake City, UT 84114-1860, on August 23, 2016, at 9:00 a.m. (the "Settlement Hearing"). The purpose of the Settlement Hearing is to determine: (a) whether the Court should finally certify the Class for purposes of the Settlement; (b) whether the Court should approve the proposed Settlement; (c) whether the Court should enter a final order and judgment dismissing the claims asserted in the Action on the merits and with prejudice as against Plaintiffs and the Class and effectuating the releases described below (the "Final Order and Judgment"); (d) whether the Court should grant the application of Plaintiffs' Counsel for an award of attorneys' fees and reimbursement of litigation expenses; and (e) such other matters as may properly come before the Court.

If you are a Class Member, this Notice will inform you of how, if you so choose, you may enter your appearance in the Action or object to the proposed Settlement and have your objection heard at the Settlement Hearing.

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIMS OR DEFENSES BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THIS ACTION AND OF A HEARING ON A PROPOSED SETTLEMENT SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY, OR MAY NOT, WISH TO TAKE IN RELATION TO THESE ACTION.

Background and Description of the Action

On April 3, 2014, Sino Gas entered into an Agreement and Plan of Merger (the "Merger Agreement") with a consortium of buyers, including Mr. Yuchuan Liu ("Liu"), the Company's CEO, Morgan Stanley Private Equity Asia, Inc. ("MSPEA"), Zhongyu Gas Holdings Ltd. ("Zhongyu Gas") and two entities created for the purpose of the Merger, Prosperity Gas Holdings Ltd. ("Parent") and Merger Sub (collectively, the "Buyer Group"), whereby each Sino Gas shareholder will receive \$1.30 per share of common Sino Gas stock (the "Merger"). The value Sino Gas shareholders would receive pursuant to the Merger represented a 165 percent premium based on the closing price per share of Sino Gas common stock on December 6, 2013 (the last trading day prior to the Company's announcement that it had received a "going private" proposal from Mr. Liu and MSPEA).

Pursuant to the Merger Agreement, there was a "force the vote" provision, which contractually obligated the Company to hold a special meeting of the shareholders to vote upon approval of the merger agreement with the Buyout Group. The "force the vote" provision required the vote to go forward even if Sino Gas' board of directors (the "Board") decided to withdraw its recommendation that the shareholders approve that agreement, and instead, had decided to pursue an alternative transaction which it believed would provide a better outcome for the shareholders unaffiliated with the Buyout Group

On April 10, 2014, Plaintiff Brad Berkowitz filed a putative class action in this Court against Sino Gas, the Board, Parent and Merger Sub Gas Holdings, Inc. ("Merger Sub"), an entity created to effectuate the Merger, on behalf of himself and all of the Company's public stockholders entitled *Berkowitz v. Sino Gas International Holdings, Inc.*, Civil No. 140902517 (the "*Berkowitz* Action"), alleging, among other things, that the individual defendants named in the *Berkowitz* Action had breached their fiduciary duties in connection with the Merger and that Sino Gas, Parent and Merger Sub had aided and abetted such breaches of fiduciary duty, and seeking, among other things, an injunction enjoining the consummation of the Merger.

On April 14, 2014, the Company filed its Form 10-K for the year ended December 31, 2013.

On April 15, 2014, plaintiff Ralph Porretti filed a putative class action in this Court against Sino Gas, the Sino Gas board of directors, MSPEA, and Zhongyu Gas on behalf of himself and all of the Company's public stockholders entitled *Porretti v. Liu*, Civil No. 140902654 (the "*Porretti* Action"), alleging, among other things, that the individual defendants named in the *Porretti* Action had breached their fiduciary duties in connection with the Merger and that Sino Gas, MSPEA and Zhongyu Gas had aided and abetted such breaches of fiduciary duty and seeking, among other things, an injunction enjoining the consummation of the Merger.

On April 16, 2014, the Company and the Buyout Group amended the merger agreement to delete various "force the vote" provisions that the parties had executed.

On April 28, 2014, Sino Gas filed a preliminary proxy statement on Form 14A with the Securities and Exchange Commission ("SEC") in connection with the shareholder vote on the Merger (the "Preliminary Proxy").

On May 6, 2014, Plaintiffs Brad Berkowitz and Ralph Poretti ("Plaintiffs") filed a joint motion for consolidation and for appointment of lead counsel.

On May 7, 2014, Plaintiffs filed an Amended Class Action Complaint (the "Amended Complaint") which, among other things, repeated the allegations in the initial complaints in the Action and added allegations that the individual defendants named in the Action violated their fiduciary duties by filing a Preliminary Proxy that allegedly omitted or misrepresented material information.

Also on May 7, 2014, the Company filed a Schedule 13E3/A attaching the financial advisors presentation to the Special Committee dated April 3, 2014.

On May 9, 2014, plaintiff Yao Liang Ren filed a putative class action in this Court against Sino Gas, the Sino Gas board of directors, Parent, Merger Sub, MSPEA, and Zhongyu Gas on behalf of himself and all of the Company's public stockholders entitled *Yao v. Sino Gas International Holdings, Inc.*, Civil No. 140903166 (the "Yao Action"), alleging, among other things, that the individual defendants named in the Yao Action had breached their fiduciary duties in connection with the Merger, including by filing a Preliminary Proxy that allegedly omitted or misrepresented material information, and that Sino Gas, Parent and Merger Sub had aided and abetted such breaches of fiduciary duty, and seeking, among other things, an injunction enjoining the consummation of the Merger.

On May 16, 2014 and May 23, 2014, Sino Gas voluntarily provided Plaintiffs Berkowitz and Porretti with approximately 400 pages of certain core documents, including documents concerning the Board and Special Committee's approval of the Merger, including the written presentations made to the Special Committee by its financial advisor, Houlihan Lokey (China) Ltd. ("Houlihan Lokey"), that related to the Merger.

On May 21, 2014, Plaintiff Berkowitz, filed a Motion for Entry of Default Judgment against Merger Sub pursuant to Rule 55(a) of the Utah Rules of Civil Procedure but later withdrew this motion on May 29, 2014.

On May 28, 2014, Plaintiffs filed a motion for leave to amend their Amended Complaint and attached as an exhibit thereto a proposed First Amended Class Action Complaint, which, among other things, repeated the allegations in the initial complaints in the Action and added further allegations based upon an Amended 13E-3 filed with the SEC on May 7, 2014 that the individual defendants named in the Action violated their fiduciary duties by filing a Preliminary Proxy that allegedly omitted or misrepresented material information.

On June 3, 2014 and June 23, 2014, Sino Gas filed amended preliminary proxy statements on Form 14A with the SEC in connection with the shareholder vote on the Merger (the "Amended Preliminary Proxies") mooted certain of Plaintiffs' disclosure demands.

On June 17, 2014, Plaintiffs filed a Motion for Preliminary Injunction and Expedited Proceedings in addition to a Motion for Leave to File Over-Length Memorandum.

On June 18, 2014, the Court declined to Sign Order (Proposed) Granting Motion for Leave to File Over-Length Memorandum.

On June 20, 2014, Plaintiffs withdrew their June 17, 2014 Motion for Preliminary Injunction and Expedited Proceedings and filed a Motion for Expedited Proceedings.

On June 20, 2014, the plaintiff in the Yao Action filed a Notice of Dismissal of that action without prejudice.

On June 23, 2014, the Court granted Plaintiffs' Motion for Expedited Proceedings.

On June 24, 2014, defendants Sino Gas, Merger Sub, Jennifer Li, Robert Adler and Chongjun Duan (collectively, "Appearing Defendants") filed an Objection to Order Granting Plaintiffs Motion for Expedited Proceedings - Motion to Vacate and/or Motion for Clarification - and Request for Expedited Hearing.

On June 24, 2014, the Court rescinded its Order granting Plaintiffs' Motion for Expedited Proceedings.

On June 25, 2014, the plaintiff in the Yao Action filed a Notice of Dismissal of that action without prejudice.

On July 3, 2014, Sino Gas filed with the SEC its Definitive Proxy Statement on Schedule 14A in connection with the shareholder vote on the Merger (the "Proxy Statement").

On July 10, 2014 and July 11, 2014, Appearing Defendants filed motions to dismiss the Action (the "Motions to Dismiss").

On July 11, 2014, Plaintiff Berkowitz filed a Motion for Entry of Default Judgment Against Defendant Robert Adler, which he subsequently withdrew on July 15, 2014.

On July 18, 2014, Plaintiffs filed a Motion to Reinstate June 23, 2014 Order Granting Expedited Proceedings and to Set Hearing Date for Preliminary Injunction Motion.

On July 21, 2014, Appearing Defendants filed Memoranda in Opposition to Plaintiffs Motion to Reinstate June 23, 2014 Order Granting Expedited Proceedings and to Set Hearing Date for Preliminary Injunction Motion.

On July 22, 2014, Appearing Defendants filed Memorandum of Law in Opposition to Plaintiffs' Motion for Expedited Proceedings.

On July 25, 2014, Plaintiffs filed a motion for preliminary injunction as well as oppositions to the Motions to Dismiss.

Between July 11, 2014 and August 1, 2014, Plaintiffs' counsel ("Plaintiffs' Counsel") and counsel for Appearing Defendants ("Defendants' Counsel") engaged in discussions regarding Plaintiffs' claims in the Action and Plaintiffs' demands for further disclosure to Sino Gas stockholders. Plaintiffs retained and consulted with financial advisors in connection with the prosecution of their claims and the negotiation with Defendants' Counsel.

On August 1, 2014, Plaintiffs' Counsel and Defendants' Counsel, after extensive arm's length negotiations, were able to reach agreement on the basic terms of a settlement, which were memorialized in a written memorandum of understanding ("MOU") dated on or about August 1, 2014. The MOU included various supplemental disclosures that were filed with the SEC, on a Form 8-K, on August 4, 2014 (the "Supplemental Disclosures"). The Parties also agreed to engage in further limited discovery if and as necessary to confirm the fairness, reasonableness and adequacy of the Settlement (the "Confirmatory Discovery").

On August 6, 2014, Sino Gas shareholders voted to approve the Merger, with 48,258,716 votes cast in favor of the Merger, 38 votes cast against the Merger, and 511 abstentions.

On November 26, 2014, the Company filed articles of merger with the Utah Division of Corporations and Commercial Code, pursuant to which the Merger became effective on November 26, 2014.

Following the execution of the MOU, and as contemplated therein, Plaintiffs' Counsel conducted a further investigation of the facts and circumstances underlying the claims asserted in the Action, which included, among other things, reviewing and analyzing several hundred pages of documents produced by Defendants, and conducting the depositions of Daniel O'Donnell, a representative of Houlihan Lokey, and Jennifer Li, a Sino Gas director and member of the special committee.

On January 12, 2016, the Court granted Plaintiffs' Motion for Consolidation and appointment of lead counsel.

On the basis of information available to them, including publicly available information, the additional confirmatory discovery described herein, and consultations with independent financial advisors retained by Plaintiffs' Counsel, Plaintiffs' Counsel has determined that the proposed Settlement described herein is fair, reasonable, adequate, and in the best interests of the Plaintiffs and the Class.

On June 6, 2016, the Court entered a scheduling order providing for, among other things, the scheduling of the Settlement Hearing; a stay of the Action pending a hearing on the proposed Settlement; and an injunction against the commencement or prosecution of any action by any member of the Class asserting any of the claims subject to the Settlement of the Action.

Reasons for the Settlement

Plaintiffs and Plaintiffs' Counsel in the Action have determined to enter into the Settlement because the Settlement provides for the Supplemental Disclosures concerning certain subject areas raised by Plaintiffs' Counsel. On the basis of information available to them, including publicly available information, the additional discovery described

herein, consultations with independent financial advisors retained by Plaintiffs' Counsel, and in consideration of the strengths and weaknesses of their claims, Plaintiffs' Counsel has determined that the Settlement described herein is fair, reasonable, adequate, and in the best interests of the Plaintiffs and the Class because it empowered the stockholders of Sino Gas to make a fully informed decision on whether to approve the Merger.

Appearing Defendants acknowledge that they considered the disclosure and other claims raised by Plaintiffs in the Action in determining to provide the Supplemental Disclosures in exchange for Plaintiffs' agreement-in-principle to settle the Action, and that the claims asserted by and the efforts of Plaintiffs' Counsel in prosecuting the Action, and the negotiations with Plaintiffs' Counsel, were the sole cause of the Supplemental Disclosures.

Appearing Defendants have denied, and continue to deny all allegations of wrongdoing, fault, liability or damage to Plaintiffs in the Action or to the Class (defined below); deny that they breached any fiduciary duties or aided and abetted any such breaches, or engaged in any wrongdoing or violation of law; deny that the Preliminary Proxy, the Amended Preliminary Proxies or the Proxy Statement are in any way misleading or omit material information; deny that they acted improperly in any way; believe that they acted properly at all times; believe the Action have no merit; believe that the Preliminary Proxy, the Amended Preliminary Proxies, the Proxy Statement and the Supplemental Disclosures accurately disclose all material information in connection with the Merger; and maintain that they have committed no disclosure violations or any other breach of duty whatsoever in connection with the Merger or any public disclosures, but wish to settle for the reasons set forth herein.

Appearing Defendants and Plaintiffs (collectively, the "Parties") wish to settle and resolve the claims asserted by Plaintiffs and all claims relating to or arising out of the Merger, and the Parties have, following arm's-length negotiations, reached an agreement in principle providing for the settlement of the Action, and the Parties believe the Settlement is in the best interests of the Parties and the Sino Gas public stockholders.

Settlement Terms

In consideration for the full settlement and dismissal with prejudice of the Action and release of all Released Claims (as defined below), Appearing Defendants agreed to provide, and did provide, the Supplemental Disclosures concerning certain subject areas raised by Plaintiffs' Counsel, which was filed with the SEC on August 4, 2014 and is attached hereto as Exhibit A.

The Settlement Hearing

The Settlement Hearing shall be held on August 23, 2016, in the Third Judicial District Court In And For Salt Lake County, Utah, 450 South State Street, Salt Lake City, Utah 84114, to: (a) determine whether the conditional class action certification should be made final; (b) determine whether the Settlement should be approved by the Court as fair, reasonable, adequate and in the best interests of the Class; (c) determine whether a Final Order and Judgment should be entered pursuant to the Stipulation; (d) consider Plaintiffs' Counsel's application for an award of attorneys' fees and expenses; and (e) rule on such other matters as the Court may deem appropriate.

The Court reserves the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof.

The Court reserves the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the parties to the Stipulation and without further notice to the Class.

Right To Appear and Object

Any Class Member who objects to the Settlement, the Final Order and Judgment to be entered in the Action, and/or Plaintiffs' Counsel's application for attorneys' fees, or who otherwise wishes to be heard, may appear in person or by his attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that, except for good cause shown, no person shall be heard and no papers, briefs, pleadings or other documents submitted by any person shall be considered by the Court unless, no later than fourteen (14) days prior to the Settlement Hearing, the Class Member files with the Court at 450 South State Street, Salt Lake City, Utah 84114, a written statement that: (i) identifies the cases known as *Berkowitz v. Sino Gas International Holdings, Inc.*, Civil No. 140902517 and *Porretti v. Liu*, Civil No. 140902654; (ii) includes the Class Member's name, address, telephone number, and, if represented, the name, address and telephone number of their counsel; (iii) includes proof of membership in the Class; (iv) includes the basis for the objection; and (v) is signed by the Class Member. Such filings shall be served by e-filing, hand or overnight mail on the following counsel of record:

Joshua M. Lifshitz
LIFSHITZ & MILLER
821 Franklin Ave, Suite 209
Garden City, NY 11530

Mark F. James
HATCH, JAMES & DODGE
10 West Broadway, Suite 400
Salt Lake City, UT 84101

Martin L. Seidel
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TAFT LLP
200 Liberty Street
New York, New York 10281

James S. Jardine
RAY QUINNEY & NEBEKER P.C.
36 South State Street, Suite 1400
Salt Lake City, UT 84111

Matthew L. Lalli
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15 W South Temple #1200
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Paul J. Lockwood
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9980 South 300 West #200
Sandy, UT 84070

James C. Lewis
LEWIS HANSEN WALDO PLESHE
FLANDERS LLC
8 East Broadway #410
Salt Lake City, Utah 84111

Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, the adequacy of the representation of the Class by Plaintiffs and Plaintiffs' Counsel, any award of attorneys' fees, or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as prescribed above. Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in this or any other action or proceeding. Any member of the Class who does not object to the Settlement or the request by Plaintiffs' Counsel for an award of attorneys' fees and expenses (described below) or to any other matter stated above need not do anything.

The Final Order and Judgment

If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate and in the best interests of the Class, the Parties will ask the Court to enter the Final Order and Judgment, which will, among other things:

- a. approve the Settlement as fair, reasonable, adequate and in the best interests of the Class and direct consummation of the Settlement in accordance with its terms and conditions;
- b. permanently certify the Class as a non-opt out class pursuant to Utah Rules of Civil Procedure 23(a), 23(b)(1) and (b)(2);
- c. determine that the requirements of the rules of the Court and due process have been satisfied in connection with this Notice;
- d. dismiss the Action with prejudice on the merits and grant the releases more fully described below in accordance with the terms and conditions of the Stipulation;
- e. permanently bar and enjoin Plaintiffs and all Class Members from instituting, commencing or prosecuting any of the Released Claims against any of the Released Parties (as defined below); and
- f. award attorneys' fees and expenses to Plaintiffs' Counsel.

Releases

The Stipulation provides that upon final approval of the Settlement and in consideration of the benefits provided by the Settlement:

(a) The Final Order and Judgment shall, among other things, provide for the full and complete dismissal of the Action with prejudice, and the settlement and release of, and a permanent injunction barring, any and all claims, causes of action, demands, rights, suits, matters, issues, obligations, expenses, damages, losses, liabilities, or any other matters, including, but not limited to, claims for negligence, gross negligence, professional negligence, breach of duty of care and/or breach of duty of loyalty and/or breach of duty of candor, fraud, breach of fiduciary duty, mismanagement, corporate waste, malpractice, breach of contract, negligent misrepresentation, violations of any state or federal statutes (including, without limitation, the federal securities laws), rules or regulations, and any Unknown Claims that have been or that could have been asserted in the Action in this or any other forum by or on behalf of the Plaintiffs or Class Members in

their capacity as Sino Gas shareholders that relate to the subject matter of the Action, the Merger, or the public disclosures concerning the Merger (the "Released Claims"); provided, however, that the Released Claims do not include: (a) the Plaintiffs' right to enforce in Court the terms of the Stipulation; and (b) claims for statutory appraisal in connection with the Merger by Sino Gas stockholders who properly perfect such appraisal rights and do not otherwise waive their appraisal rights.

(b) "Released Defendant Claims" means any claims that have been or could have been asserted in the Action or any forum by Defendants against Plaintiffs, any Class Member, or any of their respective counsel, which arise out of or relate in any way to the institution, prosecution, settlement or dismissal of the Action, including any claims of bad faith or abuse of process against Plaintiffs or Plaintiffs' Counsel relating to their prosecution of the Action; provided, however, that Released Defendant Claims shall not include any claims relating to the enforcement of the Settlement.

Plaintiffs and Appearing Defendants acknowledge, and the other Class Members by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims and the Released Defendant Claims, but that it is the intention of Plaintiffs and Appearing Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Claims and Released Defendant Claims, known or unknown, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. "Unknown Claims" means any and all claims that Plaintiffs or any Class Member does not know at the time of the release of the Released Claims as against the Released Parties, including, without limitation, those which, if known, might have affected the decision to enter into this Settlement, and any and all claims which any Defendant does not know at the time of the release of the Released Defendant Claims, including without limitation those which, if known, might have affected the decision to enter into this Settlement. With respect to any of the Released Claims and Released Defendant Claims, the Parties stipulate and agree that upon the Effective Date, each Plaintiff and each Defendant shall expressly and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived, relinquished and released any and all provisions, rights and benefits conferred by or under Cal. Civ. Code § 1542 or any law of the United States or any state of the United States or territory of the United States or other jurisdiction, or principle of common law that is similar, comparable or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The members of the Class shall be deemed by operation of the entry of the Final Order and judgment approving the Settlement to have acknowledged, that the foregoing waiver was separately bargained for, is an integral element of the Settlement, and was relied upon by each and all of the Defendants in entering into the Settlement. Plaintiffs and Appearing Defendants acknowledge, and the other Class Members and other Released Parties by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of "Released Claims" and in the definition of "Released Defendant Claims" was separately bargained for and was a key element of the Settlement and was relied upon by Plaintiffs and Appearing Defendants in entering into this Stipulation.

Application for Attorneys' Fees and Expenses

Plaintiffs' Co-Lead Counsel, on behalf of Plaintiffs' Counsel, shall apply to the Court for an award of fees and expenses of no more than \$450,000 (the "Fee Application"), which Defendants shall not oppose. Any fee and expense award shall be distributed by Plaintiffs' Co-Lead Counsel in Plaintiffs' Co-Lead Counsel's sole discretion. The Parties agree that the Settlement is not contingent in any way on an award of attorneys' fees. Subject to Court approval, as part of the Settlement, Sino Gas, or its insurer, shall pay or cause to be paid to Plaintiffs' Co-Lead Counsel no more than the Court shall approve, up to and including \$450,000 in fees and expenses in the aggregate, such amount being paid to Plaintiffs' Co-Lead Counsel solely by Sino Gas, its successors-in-interest, or its insurer, within ten (10) business days after the date that the Court's approval of the Fee Application becomes final and unappealable, whether by affirmance on or exhaustion of any possible appeal, review or reargument to the Utah Supreme Court by lapse of time or otherwise.

The Fee Application shall be the only petition for attorneys' fees and expenses filed by or on behalf of Plaintiffs, any other Class Member, Plaintiffs' Counsel, or counsel for any other Class Member. Defendants reserve the right to oppose any other application made by Plaintiffs' Counsel, or by any other person for any award of attorneys' fees or out-of-pocket expenses. The disposition of the Fee Application is not a material term of this Stipulation, and it is not a condition of this Stipulation that such application be granted. The Fee Application may be considered separately from the proposed Settlement. Any disapproval or modification of the Fee Application by the Court or on appeal shall not affect or delay the enforceability of this Stipulation, provide any of the Parties with the right to terminate the Settlement, or affect or delay the binding effect or finality of the Judgment.

Defendants shall have no responsibility for, and no liability whatsoever with respect to, any allocation among Plaintiffs' Counsel, or any other Person who may assert some claim thereto, of any attorneys' fees and expenses amount, or any taxes due thereon.

Except as provided above, Defendants shall have no obligation to pay or reimburse any fees, expenses, costs or damages alleged or incurred by Plaintiffs, by any members of the Class, or by their attorneys, experts, advisors, or representatives with respect to the Released Claims defined herein.

Notwithstanding any other provisions herein, no fees or expenses shall be paid to Plaintiffs' Counsel absent the Court entering the Final Order and Judgment, including the Releases substantially in the form herein.

Notice to Persons or Entities That Held Ownership on Behalf of Others

Brokerage firms, banks and/or other persons or entities who held shares of the common stock of Sino Gas during the period from and including April 3, 2014 through November 26, 2014 for the benefit of others are requested to promptly send this Notice to all of their respective beneficial owners. If additional copies of the Notice are needed for forwarding to such beneficial owners, any requests for such copies may be made to Berkowitz v. Sino Gas International Holdings, Inc., c/o GCG, PO Box 10298, Dublin, OH 43017-5898.

Scope of this Notice and Additional Information

The foregoing description of the Settlement Hearing, the Action, the terms of the proposed Settlement and other matters described herein do not purport to be comprehensive. Accordingly, Class Members are referred to the documents filed with the Court in the Action or you may visit www.gardencitygroup.com.

PLEASE DO NOT WRITE OR CALL THE COURT.

Inquiries or comments about the Settlement may be directed to the attention of Plaintiffs' Counsel as follows:

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LIFSHITZ & MILLER
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Laurence Rosen
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Mark F. James
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Zane L. Christensen
CHRISTENSEN YOUNG &
ASSOCIATES, PLLC
9980 South 300 West #200
Sandy, UT 84070

Dated: June 6, 2016

BY ORDER OF THE COURT